



# DIVIDEND STOCKS ROCK

PORTFOLIO CREATION USING DIVIDEND GROWTH STOCKS

## WELCOME TO THE **100% CDN** PORTFOLIO



Each holding has been weighed, measured and rated. Upon our analysis, we attributed a ranking from 1 to 5:

### RANKING

- 5 = Exceptional Buy** - Everything is there; a strong business model, several growth vectors and an undervalued price.
- 4 = Buy** - It's a good company, the short-term upside is good but not flabbergasting.
- 3 = Hold** - A classic "right company at the right price".
- 2 = Sell** - If we were you, we would seriously consider getting rid of this one.
- 1 = Screaming Sell** - Enough said.

In addition to our ranking, we also added a dividend safety score from 1 to 5:

### DIVIDEND SAFETY SCORE

- 5 = Stellar dividend** - Past, present and future dividend growth perspectives are marvelous.
- 4 = Good dividend** - The company shows sustainable dividend growth perspectives.
- 3 = Decent dividend** - Don't expect much than a 3-5% dividend growth.
- 2 = Dividend is safe but** - Not likely to increase this year (0-3%).
- 1 = Dividend Trash** - There has been cut or is this situation is not sustainable.

The information contained within this report is for informational purposes only and it is not intended as a recommendation of the securities highlighted or any particular investment strategy; nor should it be considered a solicitation to buy or sell any security. In addition, this information is not represented or warranted to be accurate, correct, complete, or timely. The securities mentioned in this report and the information contained do not constitute advice. Before acting on any information in this report, readers should consider whether such an investment is suitable for their particular circumstances, perform their own due-diligence, and if necessary, seek professional advice. Copyright © 2019 M-72 Inc. All rights reserved.

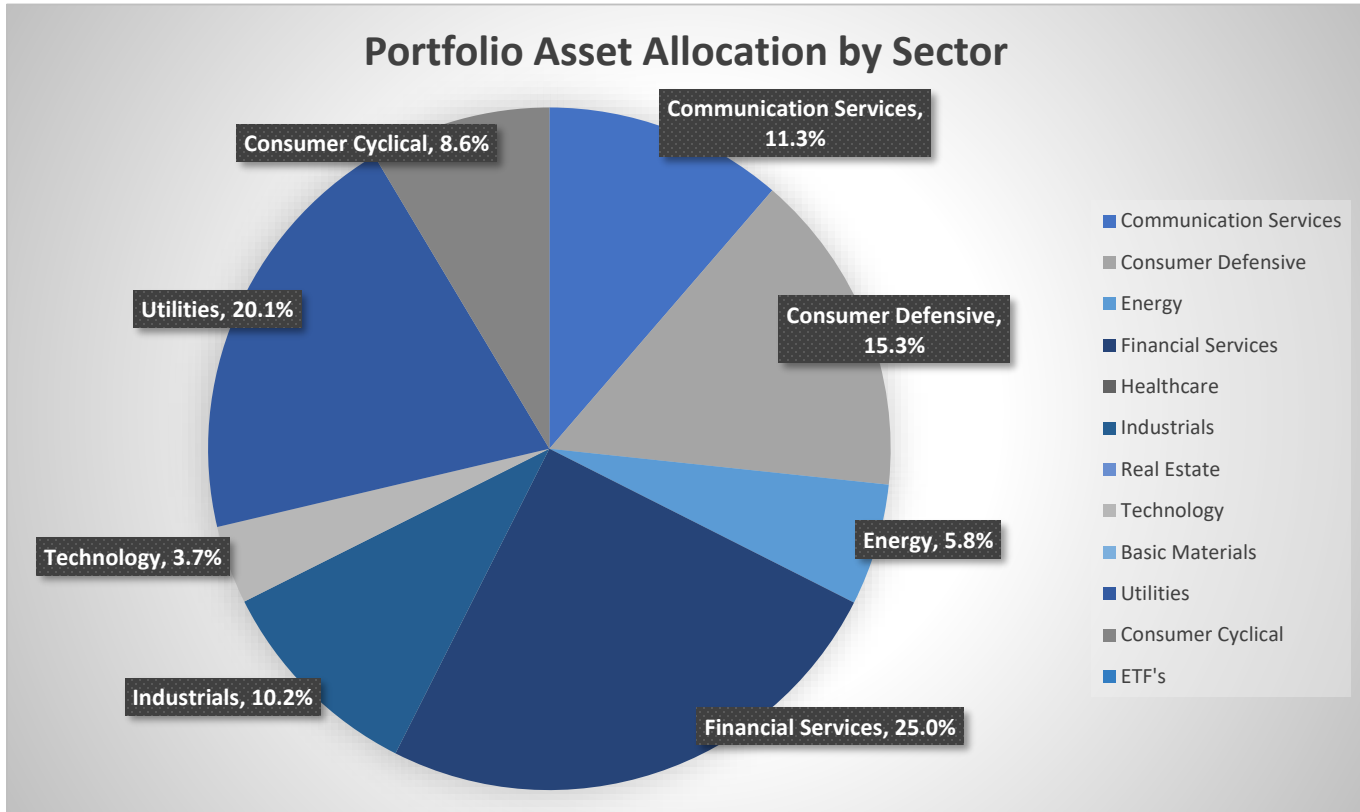


# DIVIDEND STOCKS ROCK

PORTFOLIO CREATION USING DIVIDEND GROWTH STOCKS

## PORTFOLIO SUMMARY

		Rating	Your portfolio	All DSR Pro Members
Number of holdings	21	5- Exceptional Buy		0.85%
Avg portfolio yield	3.17%	4 - Buy	76.19%	18.95%
Expected div annual pmt	\$ 3,820.42	3 - Hold	23.81%	62.82%
12 month avg div growth	N/A	2 - Sell		15.38%
Future est. div annual pmt	N/A	1 - Screaming Sell		1.99%



Your portfolio has heavy concentration in the following sectors: Financial Services, Utilities. Sectors representing over 20% of your portfolio may have an important impact and lead to fluctuations.

## TRADES

No trade this quarter.

The information contained within this report is for informational purposes only and it is not intended as a recommendation of the securities highlighted or any particular investment strategy; nor should it be considered a solicitation to buy or sell any security. In addition, this information is not represented or warranted to be accurate, correct, complete, or timely. The securities mentioned in this report and the information contained do not constitute advice. Before acting on any information in this report, readers should consider whether such an investment is suitable for their particular circumstances, perform their own due-diligence, and if necessary, seek professional advice. Copyright © 2019 M-72 Inc. All rights reserved.

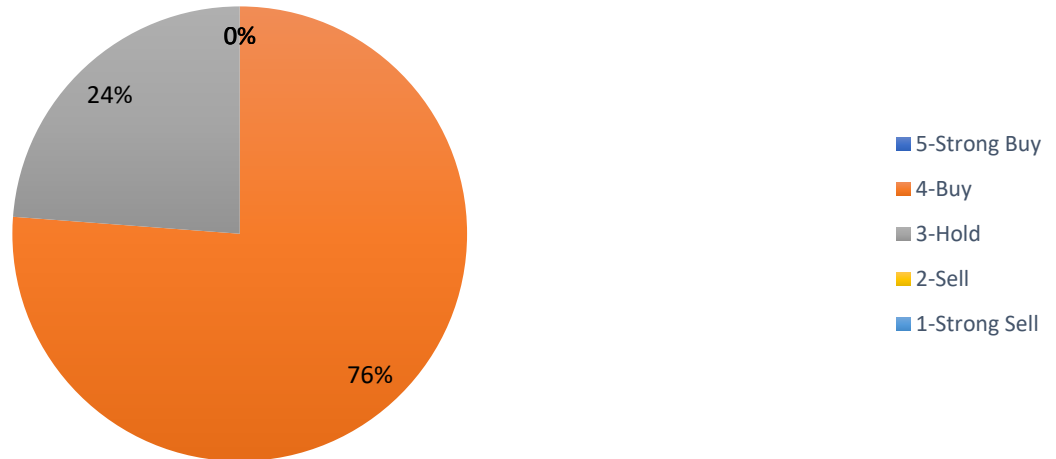


# DIVIDEND STOCKS ROCK

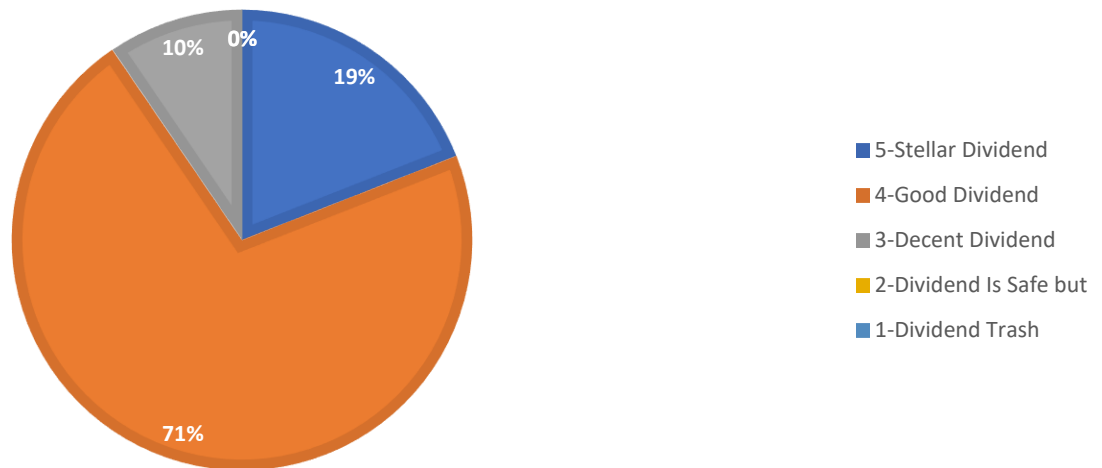
PORTFOLIO CREATION USING DIVIDEND GROWTH STOCKS

## PORTFOLIO SUMMARY (Continued)

### DSR PRO - Ranking



### DSR PRO - DIVIDEND SAFETY SCORE



## STATISTICS

**Inception date:** July 31st 2017

**YTD Return:** 1.72%

**1Yr Return:** 17.89%

**Since inception:** 29.07%

**\*Returns are as at** January 9th 2020 dividend included

The information contained within this report is for informational purposes only and it is not intended as a recommendation of the securities highlighted or any particular investment strategy; nor should it be considered a solicitation to buy or sell any security. In addition, this information is not represented or warranted to be accurate, correct, complete, or timely. The securities mentioned in this report and the information contained do not constitute advice. Before acting on any information in this report, readers should consider whether such an investment is suitable for their particular circumstances, perform their own due-diligence, and if necessary, seek professional advice. Copyright © 2019 M-72 Inc. All rights reserved.





# DIVIDEND STOCKS ROCK

PORTFOLIO CREATION USING DIVIDEND GROWTH STOCKS

## PORTFOLIO SUMMARY (Continued)

TICKER	COMPANY NAME	SECTOR	WEIGHT (%)	PRO RATING	DIV SAFETY
TD.TO	The Toronto-Dominion Bank	Financial Services	4.32%	4	5
TFII.TO	TFI International	Industrials	5.53%	4	4
LAS.A.TO	Lassonde Industries	Consumer Defensive	2.63%	3	3
T.TO	TELUS	Communication	4.46%	4	4
BCE.TO	BCE	Communication	4.28%	4	4
CGX.TO	Cineplex	Communication	2.58%	3	3
RY.TO	Royal Bank of Canada	Financial Services	4.44%	4	5
EMA.TO	Emera	Utilities	4.54%	4	4
ATD.B.TO	Alimentation Couche-Tard	Consumer Defensive	2.87%	4	4
CNR.TO	Canadian National Railway	Industrials	4.64%	4	5
IFC.TO	Intact Financial Corporation	Financial Services	5.20%	4	4
MRU.TO	Metro	Consumer Defensive	5.49%	3	4
OTEX.TO	Open Text Corp	Technology	3.71%	4	4
NA.TO	National Bank of Canada	Financial Services	4.89%	4	5
CTC.A.TO	Canadian Tire Corp	Consumer Cyclical	3.92%	4	4
BEP.UN.TO	Brookfield Renewable	Utilities	11.01%	3	4
ADW.A.TO	Andrew Peller	Consumer Defensive	4.36%	4	4
FTS.TO	Fortis	Utilities	4.55%	4	4
MG.TO	Magna International	Consumer Cyclical	4.65%	4	4
ENB.TO	Enbridge	Energy	5.76%	4	4
BAM.A.TO	Brookfield Asset Mgmt	Financial Services	6.15%	3	4

The information contained within this report is for informational purposes only and it is not intended as a recommendation of the securities highlighted or any particular investment strategy; nor should it be considered a solicitation to buy or sell any security. In addition, this information is not represented or warranted to be accurate, correct, complete, or timely. The securities mentioned in this report and the information contained do not constitute advice. Before acting on any information in this report, readers should consider whether such an investment is suitable for their particular circumstances, perform their own due-diligence, and if necessary, seek professional advice. Copyright © 2019 M-72 Inc. All rights reserved.



# DIVIDEND STOCKS ROCK

PORTFOLIO CREATION USING DIVIDEND GROWTH STOCKS

	<p>THE TORONTO-DOMINION BANK(TD.TO)</p> <p>PRO RATING: 4 DIVIDEND SAFETY: 5</p>	<p>Price: \$73.43 Yield: 3.94% YTD: 12.56%</p>
--	---	--

- Non-GAAP EPS of \$1.59, -2.5%
- Revenues of \$2.95B, -3.3%.
- Declared dividend of \$0.74/share, flat over the previous payment.

[Press Release](#)  
[DSR Stock Card](#)

## What the CEO Said

"In 2019, we demonstrated the strength and resilience of our franchise as we continued to acquire and serve our customers while increasing loan and deposit volumes," said Bharat Masrani, Group President and Chief Executive Officer, TD Bank Group. "Throughout the year, we generated earnings growth amidst a challenging macroeconomic environment while we made strategic investments to strengthen our business, deliver for our customers, and modernize and simplify our operations."

## What Mike Says

While Canadian retail revenue grew by 5% and US by 7%, Wholesale Banking net income was down \$126M (from \$286M). Lower revenue was primarily impacted by derivative valuation charges incurred in the fourth quarter, mainly in connection with significant upgrades made to the derivative valuation system and related methodologies. TD Bank will own 13.4% of the combined entity after the merger of Charles Schwab's and TD Ameritrade. It will also continue to collect fees for maintaining uninvested cash in sweep deposit accounts for Ameritrade's legacy customers until at least 2031.

	<p>TFI INTERNATIONAL(TFII.TO)</p> <p>PRO RATING: 4 DIVIDEND SAFETY: 4</p>	<p>Price: \$42.99 Yield: 2.23% YTD: 24.02%</p>
--	---	--

- Non-GAAP EPS of \$1.04, flat
- Revenues of \$1.3B, +1%.
- Declared dividend of \$0.26/share, a +8.33% increase.

[Press Release](#)  
[DSR Stock Card](#)

## What the CEO Said

"TFI International has continued to perform well throughout 2019 and we are pleased to report record third quarter results. While we closely monitor economic conditions and their impact on the North American freight business, our own attention to the fundamentals of the business has allowed us to outperform," said Alain Bédard, Chairman, President and Chief Executive Officer. "We set another third quarter TFI record for operating income, and produced double-digit growth in net cash from operating activities. Three of our four segments produced higher operating income than a year earlier, including a 19% increase for Truckload. "

## What Mike Says

TFII posted a modest quarter with barely no growth. Operating income grew 3% to \$131.9M from \$128.2M the prior year period, driven by strong execution across the organization, increased quality of revenue, an asset-light approach, and cost efficiencies. Total revenue grew for Package and Courier, Truckload and Logistics and Last Mile, while Less-Than-Truckload declined 10% relative to the prior year period. Operating income was higher for Package and Courier, Less-Than-Truckload and Truckload, while Logistics and Last Mile declined 18%. Net cash from continuing operating activities was \$187.1M during Q3 2019 versus \$166.6M the prior year quarter.

The information contained within this report is for informational purposes only and it is not intended as a recommendation of the securities highlighted or any particular investment strategy; nor should it be considered a solicitation to buy or sell any security. In addition, this information is not represented or warranted to be accurate, correct, complete, or timely. The securities mentioned in this report and the information contained do not constitute advice. Before acting on any information in this report, readers should consider whether such an investment is suitable for their particular circumstances, perform their own due-diligence, and if necessary, seek professional advice. Copyright © 2019 M-72 Inc. All rights reserved.



# DIVIDEND STOCKS ROCK

PORTFOLIO CREATION USING DIVIDEND GROWTH STOCKS

	<p>LASSONDE INDUSTRIES(LAS.A.TO)</p> <p>PRO RATING: 3</p> <p>DIVIDEND SAFETY: 3</p>	<p>Price: \$158.44</p> <p>Yield: 1.64%</p> <p>YTD: -19.3%</p>
--	---	---

- Non-GAAP EPS of \$2.21, -14%
- Revenues of \$422.9M, +1%.
- Declared dividend of \$0.595/share, flat over the previous payment.

[Press Release](#)  
[DSR Stock Card](#)

## What the CEO Said

“The 2019 third-quarter operating profit was affected by higher manufacturing overhead costs in the United States and by a slower rate of production arising from new equipment being installed at one of our Canadian plants. Selling prices continue to be adjusted in the U.S. market but at a pace not sufficient to offset cost increases,” said Nathalie Lassonde, Chief Executive Officer of Lassonde Industries Inc.

## What Mike Says

LAS disappointed investors once again as results were affected by higher manufacturing overhead costs and lower sales volume in the U.S. As for the Canadian operations, the third-quarter gross margin was higher than that of the same quarter last year, mostly due to selling price adjustments and a decrease in the cost of certain inputs. The selling price increases in the U.S. market have continued to gradually take effect in the third quarter of 2019, but increases in costs have outpaced the price increases. The Company remains cautious in a U.S. competitive environment that has become particularly challenging.

	<p>TELUS(T.TO)</p> <p>PRO RATING: 4</p> <p>DIVIDEND SAFETY: 4</p>	<p>Price: \$51.25</p> <p>Yield: 4.32%</p> <p>YTD: 17.2%</p>
--	---	---

- Non-GAAP EPS of \$0.76, +2.7%
- Revenues of \$3.7B, +2.6%.
- Declared dividend of \$0.5825/share, a +3.6% increase.

[Press Release](#)  
[DSR Stock Card](#)

## What the CEO Said

TELUS reported strong operational and financial results for the third quarter, including robust customer growth across both our wireless and wireline business segments. The expansion of our subscriber base by 246K customers was driven by high-quality mobile phone net additions, strong growth in connected device subscribers and industry-leading wireline net additions. TELUS’ robust performance was backed by our team’s unwavering focus on providing exceptional customer experiences, in combination with the ongoing generational investments we are making in our leading wireline and wireless broadband network...”

## What Mike Says

Telus posted a good quarter with modest growth and a second dividend increase this year. Total increase for this year is close to 7%. Results were supported by strong wireless net additions of 193K, up 13%, including 111K mobile phone additions and 82K mobile connected device additions. The telecom also posted wireline customer additions of 53K including 32K Internet, 19K TV and 14K Security net new clients, and stable residential voice losses of 12K. Future dividend growth and affordability will also be supported by lower expected capital expenditures and the resulting free cash flow expansion. Capex for the next 2 years is expected to be at \$2.75B/year.

The information contained within this report is for informational purposes only and it is not intended as a recommendation of the securities highlighted or any particular investment strategy; nor should it be considered a solicitation to buy or sell any security. In addition, this information is not represented or warranted to be accurate, correct, complete, or timely. The securities mentioned in this report and the information contained do not constitute advice. Before acting on any information in this report, readers should consider whether such an investment is suitable for their particular circumstances, perform their own due-diligence, and if necessary, seek professional advice. Copyright © 2019 M-72 Inc. All rights reserved.



# DIVIDEND STOCKS ROCK

PORTFOLIO CREATION USING DIVIDEND GROWTH STOCKS

	BCE(BCE.TO) PRO RATING: 4 DIVIDEND SAFETY: 4	Price: \$64.57 Yield: 4.85% YTD: 24.49%
--	--	---

- Non-GAAP EPS of \$0.96, +6.7%
- Revenues of \$5.84B, +1.8%.
- Declared dividend of \$0.792/share, flat over the previous payment.

[Press Release](#)  
[DSR Stock Card](#)

## What the CEO Said

"Bell's commitment to build the advanced fibre and mobile networks that will take Canadian communications into the future continues to deliver strong results for our shareholders, customers and communities today. With exceptional execution by the Bell team in Q3, we achieved industry-leading subscriber growth – including record Q3 net wireless customer additions – improved customer satisfaction and a strong financial performance. This includes our 56th consecutive quarter of increased year-over-year adjusted EBITDA and continued strong growth in the free cash flow that fuels our network investment and shareholder value objectives."

## What Mike Says

BCE disappointed the market with only a modest revenue growth. Service revenue grew 1.3% to \$5,185 million on strong wireless, Internet and IPTV subscriber base growth. Product revenue was up 5.1% to \$799 million, mainly the result of greater volumes of higher-value smartphones and wireless rate plans in the sales mix. Wireless net adds were up 15% to 204,067. Total wireless, retail Internet and IPTV net customer adds were up 8% to 293,950. BCE cash flows from operating activities were \$2,258 million, up 10.5% over last year. Free cash flow up 17.3% to \$1,189 million.

	CINEPLEX(CGX.TO) PRO RATING: 3 DIVIDEND SAFETY: 3	Price: \$25.12 Yield: 7.07% YTD: 5.49%
--	---	--

- Non-GAAP EPS of \$0.21, +31.3%
- Revenues of \$418.4M, +8.3%.
- Declared dividend of \$0.15/share, flat over the previous payment.

[Press Release](#)  
[DSR Stock Card](#)

## What the CEO Said

"Cineplex reported a strong third quarter with growth across all businesses, resulting in record total revenue of \$418.4 million, up 8.3% and adjusted EBITDAaL of \$62.3 million, up 21.2% compared to the prior year," said Ellis Jacob, President and CEO, Cineplex.

## What Mike Says

Cineplex surprised the market with great news, and shares surged on earnings day. Recognizing the quarter's strong film slate, theatre attendance increased 1.8%. This, combined with third quarter records for both BPP of \$10.16 and CPP of \$6.68, resulted in a 2.6% increase in box office revenue and an 8.9% increase in theatre food service revenue. Media revenue increased 30.6% with growth in both cinema advertising and digital place-based media revenue, and amusement revenue increased 8.0% as a result of increased route revenue and growth within location-based entertainment venues.

The information contained within this report is for informational purposes only and it is not intended as a recommendation of the securities highlighted or any particular investment strategy; nor should it be considered a solicitation to buy or sell any security. In addition, this information is not represented or warranted to be accurate, correct, complete, or timely. The securities mentioned in this report and the information contained do not constitute advice. Before acting on any information in this report, readers should consider whether such an investment is suitable for their particular circumstances, perform their own due-diligence, and if necessary, seek professional advice. Copyright © 2019 M-72 Inc. All rights reserved.





# DIVIDEND STOCKS ROCK

PORTFOLIO CREATION USING DIVIDEND GROWTH STOCKS

	<p>ROYAL BANK OF CANADA(RY.TO)</p> <p>PRO RATING: 4</p> <p>DIVIDEND SAFETY: 5</p>	<p>Price: \$104.99</p> <p>Yield: 3.88%</p> <p>YTD: 16.83%</p>
--	---	---

- Non-GAAP EPS of \$2.22, +6%
- Revenues of \$3.3B, +5%.
- Declared dividend of \$1.05/share, a +3% increase.

[Press Release](#)  
[DSR Stock Card](#)

## What the CEO Said

"Our focused strategy and diversified business mix continue to deliver strong returns for our shareholders as we leverage our scale and investments in technology to create new value streams for our clients. This commitment is underpinned by the strength of our balance sheet, disciplined risk and expense management, and the power of imagination and insight our people deliver every day. RBC is well-positioned to further grow our market share and navigate the evolving market environment."

## What Mike Says

RY missed market expectations and its shares dropped on earnings day. The results reflect strong earnings growth in Personal & Commercial Banking, Wealth Management, and Insurance, partly offset by lower earnings in Capital Markets and Investor & Treasury Services amid challenging market conditions. However, the bank didn't perform that well compared to Q2 as net income was up \$33M with higher earnings in Personal & Commercial Banking, Wealth Management and Insurance, largely offset by lower earnings in Capital Markets and Investor & Treasury Services. Q3 provision for credit losses ratio on loans of 27 basis points, fell 2 bps Q/Q and rose 4 bps Y/Y.

	<p>EMERA(EMA.TO)</p> <p>PRO RATING: 4</p> <p>DIVIDEND SAFETY: 4</p>	<p>Price: \$55.34</p> <p>Yield: 4.29%</p> <p>YTD: 32.58%</p>
--	---	--

- Non-GAAP EPS of \$0.51, -37.8%
- Revenues of \$122M, -36%.
- Declared dividend of \$0.613/share, a +4.25% increase.

[Press Release](#)  
[DSR Stock Card](#)

## What the CEO Said

"Our results for the quarter were affected by weak marketing and trading conditions, the sale of the merchant gas plants, and the impact of Hurricane Dorian on our operations," said Scott Balfour, President and CEO. "However, our continuing regulated businesses remain strong and are performing very well. These businesses delivered growth in adjusted earnings of 4% for the quarter and 12% year-to-date. Moreover, our forecasted growth in rate base of over 7% through 2022 is expected to continue to drive solid earnings and cash flow over the long-term."

## What Mike Says

EMA faced some headwinds and earnings took a hit. Q3 2018 included \$23 million of earnings related to a change in Florida state tax apportionment factors. Q3 2019 earnings were \$18 million lower than Q3 2018 from the sale of the New England Gas Generation ("NEGG") and Bayside facilities in Q1 2019. Year-to-date contributions from these assets were \$22 million lower than 2018. Q3 2019 included \$16 million of impacts from Hurricane Dorian related to Grand Bahama Power Company ("GBPC"). Florida Electric Utility's CAD net income increased by \$10 million to \$153 million while Canadian Electric Utilities' net income decreased by \$3 million to \$33 million.

The information contained within this report is for informational purposes only and it is not intended as a recommendation of the securities highlighted or any particular investment strategy; nor should it be considered a solicitation to buy or sell any security. In addition, this information is not represented or warranted to be accurate, correct, complete, or timely. The securities mentioned in this report and the information contained do not constitute advice. Before acting on any information in this report, readers should consider whether such an investment is suitable for their particular circumstances, perform their own due-diligence, and if necessary, seek professional advice. Copyright © 2019 M-72 Inc. All rights reserved.





# DIVIDEND STOCKS ROCK

PORTFOLIO CREATION USING DIVIDEND GROWTH STOCKS

	<p>ALIMENTATION COUCHE-TARD(ATD.B.TO)</p> <p>PRO RATING: 4 DIVIDEND SAFETY: 4</p>	<p>Price: \$43.81 Yield: 0.57% YTD: 29.81%</p>
--	---	--

- Non-GAAP EPS of \$0.51, +24%
- Revenues of \$3.5B, +2.3%.
- Declared dividend of \$0.063/share, flat over the previous payment.

[Press Release](#)  
[DSR Stock Card](#)

## What the CEO Said

"We continue to experience steady results in our overall business with strong fuel performance and merchandise sales. We saw solid increases in same-store merchandise revenues across our core geographies, even as we cycled strong numbers last year. In the convenience sector, we are starting to see good traction from the different projects we launched, such as food pilots, our digital upsell platform, and the redesign of our European stores. Customer awareness is growing as our Circle K brand continues to roll out, and we are confident in the positive impact this should have on traffic and loyalty."

## What Mike Says

ATD missed quarterly revenue estimates on Tuesday, as the Canadian convenience store operator's fuel business was hit by lower selling prices. Same-store merchandise revenues increased by 3.2% in the U.S., by 3.3% in Europe and by 2.1% in Canada. Merchandise and service gross margin decreased in the U.S. and in Canada by 0.4% and 1.1% to 33.9% and 32.6% respectively, the decrease in Canada is entirely attributable to the conversion of the Esso stores, while it increased by 0.2% in Europe to 41.3%. ATD aims at doubling its profit in the next 5 years while another acquisition (Australian Caltex) is being rumored.

	<p>CANADIAN NATIONAL RAILWAY(CNR.TO)</p> <p>PRO RATING: 4 DIVIDEND SAFETY: 5</p>	<p>Price: \$119 Yield: 1.81% YTD: 19.82%</p>
--	--	--

- Non-GAAP EPS of \$1.66, +11%
- Revenues of \$3.83B, +4%.
- Declared dividend of \$0.537/share, flat over the previous payment.

[Press Release](#)  
[DSR Stock Card](#)

## What the CEO Said

"CN delivered strong results, despite a softening economy," said JJ Ruest, president and chief executive officer of CN. "Our team of experienced railroaders swiftly aligned resources with the weaker demand to achieve solid efficiency gains. We remain committed to our long-term agenda of growing faster than the economy at low incremental cost, and to taking Scheduled Railroading to the next level by deploying advanced operating technology."

## What Mike Says

CNR posted a strong quarter with double-digit EPS growth. Strong earnings were supported by operating ratio of 57.9%, an improvement of 1.6 points. In light of the deterioration in North American rail demand and as the economy continues to weaken, CN is now targeting to deliver 2019 adjusted diluted EPS growth in the high single-digit range this year versus last year's adjusted diluted EPS of \$5.50, compared with its July 23, 2019 financial outlook which called for low double-digit growth in adjusted diluted EPS; and now assumes slightly negative volume growth in 2019 in terms of revenue ton miles (RTMs).

The information contained within this report is for informational purposes only and it is not intended as a recommendation of the securities highlighted or any particular investment strategy; nor should it be considered a solicitation to buy or sell any security. In addition, this information is not represented or warranted to be accurate, correct, complete, or timely. The securities mentioned in this report and the information contained do not constitute advice. Before acting on any information in this report, readers should consider whether such an investment is suitable for their particular circumstances, perform their own due-diligence, and if necessary, seek professional advice. Copyright © 2019 M-72 Inc. All rights reserved.



# DIVIDEND STOCKS ROCK

PORTFOLIO CREATION USING DIVIDEND GROWTH STOCKS

	<p>INTACT FINANCIAL CORPORATION(IFC.TO)</p> <p>PRO RATING: 4 DIVIDEND SAFETY: 4</p>	<p>Price: \$136.38 Yield: 2.19% YTD: 40.15%</p>
--	---	---

- Non-GAAP EPS of \$1.26, -5.97%
- Revenues of \$277M, +17%.
- Declared dividend of \$0.76/share, flat over the previous payment.

[Press Release](#)  
[DSR Stock Card](#)

## What the CEO Said

"We delivered strong results in the third quarter with double-digit topline growth and low-90s underwriting performance. Our ability to concurrently drive higher rates while increasing our customer base reflects the favourable market conditions across all our businesses. As our competitive position continues to improve, we are maintaining our focus on portfolio quality as we drive towards a return to our historical mid-teens ROE. We are pleased to have completed the acquisition of On Side and the integration planning with The Guarantee and Frank Cowan Company is already underway. [...]."

## What Mike Says

IFC.TO delivered strong results for Q3, with highlights on their acquisition of The Guarantee and Frank Cowan Company by 2019's end. The company recorded a combined ratio of 92.3%, a 1.5% step back YoY. Underwriting income was the main growth driver this quarter, with the 17% to itself. Management is also proudly announcing that they received all regulatory approvals for their acquisition of On Side Developments Ltd, which will be represented in Q4 statements. 2020 outlook shows upper single digit premium growth for P&C and hopes to keep the momentum going.

	<p>METRO(MRU.TO)</p> <p>PRO RATING: 3 DIVIDEND SAFETY: 4</p>	<p>Price: \$57.6 Yield: 1.39% YTD: 23.56%</p>
--	--	---

- Non-GAAP EPS of \$0.90, +20%
- Revenues of \$5.23B, +8.1%.
- Declared dividend of \$0.20/share, flat over the previous payment.

[Press Release](#)  
[DSR Stock Card](#)

## What the CEO Said

"We're very pleased with our third quarter results as our key performance indicators all showed progress. We executed well on our business plans while realizing synergies from the acquisition of the Jean Coutu Group, which have now reached \$61 million on an annualized basis. We're confident that our sustained investments and customer-focused strategies will enable us to reach our long-term growth objectives."

## What Mike Says

MRU.TO still benefits from their Jean COutu acquisition back in May 2018. Both metrics saw a healthy increase on a YoY basis. Food same-store sales were up 3.1% and pharmacy's were up 3.4%, with a 2.9% surge in prescription drugs. The company keeps a strong financial position with plenty of space on revolving credit facility, leading them well into 2020's financial exercise. Customers will once again be the target of their growth strategy, with a longer term objective in mind.

The information contained within this report is for informational purposes only and it is not intended as a recommendation of the securities highlighted or any particular investment strategy; nor should it be considered a solicitation to buy or sell any security. In addition, this information is not represented or warranted to be accurate, correct, complete, or timely. The securities mentioned in this report and the information contained do not constitute advice. Before acting on any information in this report, readers should consider whether such an investment is suitable for their particular circumstances, perform their own due-diligence, and if necessary, seek professional advice. Copyright © 2019 M-72 Inc. All rights reserved.



# DIVIDEND STOCKS ROCK

PORTFOLIO CREATION USING DIVIDEND GROWTH STOCKS

	<p>OPEN TEXT CORP(OTEX.TO)</p> <p>PRO RATING: 4</p> <p>DIVIDEND SAFETY: 4</p>	<p>Price: \$56.58</p> <p>Yield: 1.59%</p> <p>YTD: 29.3%</p>
--	---	---

- Non-GAAP EPS of \$0.64, +6.67%, beat by \$0.01.
- Revenues of \$696.89M, +4.64%, missed by \$5.64M.
- Declared dividend of \$0.1746/share, flat over the previous payment.

[Press Release](#)  
[DSR Stock Card](#)

## What the CEO Said

"I am pleased with our start to Fiscal 2020. In constant currency, total revenues of \$706.6 million were up 5.9% year-over-year, and we delivered the highest Q1 revenues in the company's history. Annual Recurring Revenues (ARR) of \$556.6 million were up 7.1% year-over-year, representing 79% of total revenues, driven by Cloud Services and Subscriptions revenues of \$239.3 million, which increased significantly by 15% year-over-year,"

## What Mike Says

OTEX delivered a mixed bag on FQ1's release, beating EPS but short on revenue. Revenues by segment: Cloud services \$237.3M, Customer support \$312.3M, License \$77.9M and Professional services \$69.4M. Included in their big customers names this quarter was Deutsche Bank AG, Daiichi Jitsugyo Co, Samsung R&D Institute and many more. Although announced right after FQ1 release, OTEX announced their acquisition of security firm Carbonite for \$23 a share, something to be on the lookout for in the next few quarters.

	<p>NATIONAL BANK OF CANADA(NA.TO)</p> <p>PRO RATING: 4</p> <p>DIVIDEND SAFETY: 5</p>	<p>Price: \$71.86</p> <p>Yield: 3.7%</p> <p>YTD: 32.34%</p>
--	--	---

- Non-GAAP EPS of \$1.69, +11%
- Revenues of \$604M, +7%
- Declared dividend of \$0.71/share, a +4% increase.

[Press Release](#)  
[DSR Stock Card](#)

## What the CEO Said

"Fiscal 2019 was another strong year for National Bank. We achieved solid business growth and record profitability. Our credit quality is excellent, our capital ratios are strong, and disciplined cost management remains a priority throughout the organization. The outlook in Quebec remains favourable and we continue to take advantage of Canada's broader economic soundness. In the current environment, we are comfortable with our positioning and we remain vigilant in balancing our objectives of sustainable growth with prudent risk management. Our overall objective is to position the Bank to perform well through the cycle,"

## What Mike Says

NA enjoys a healthy economic situation in Quebec and thrived once again. It beat both EPS and revenue growth expectations and management announced its 2nd dividend increase of the year. The Personal and Commercial segment's total revenues were up 3% owing to growth in loan and deposit volumes. The Wealth Management segment's revenues were up 4% owing to growth in mutual fund revenues and trust service revenues. The Financial Markets segment's revenues were up 14% owing to growth in the Global Markets revenue category. Furthermore, the USSF&I segment's total revenues grew 22%, essentially due to revenue growth at the ABA Bank subsidiary.

The information contained within this report is for informational purposes only and it is not intended as a recommendation of the securities highlighted or any particular investment strategy; nor should it be considered a solicitation to buy or sell any security. In addition, this information is not represented or warranted to be accurate, correct, complete, or timely. The securities mentioned in this report and the information contained do not constitute advice. Before acting on any information in this report, readers should consider whether such an investment is suitable for their particular circumstances, perform their own due-diligence, and if necessary, seek professional advice.  
 Copyright © 2019 M-72 Inc. All rights reserved.



# DIVIDEND STOCKS ROCK

PORTFOLIO CREATION USING DIVIDEND GROWTH STOCKS

	<p>CANADIAN TIRE CORP (CTC.A.TO)</p> <p>PRO RATING: 4 DIVIDEND SAFETY: 4</p>	<p>Price: \$147.72 Yield: 2.81% YTD: 6.45%</p>
--	--	--

- Non-GAAP EPS of \$3.46, flat
- Revenues of \$3.64B, flat.
- Declared dividend of \$1.137/share, a +9.6% increase.

[Press Release](#)  
[DSR Stock Card](#)

## What the CEO Said

"Our business is performing well and as one of Canada's largest eCommerce retailers, having generated more than \$500M in sales in the last 12 months, we are exceptionally well-positioned as we head into our customers' biggest spending season. Operating as One Company across our multiple banners focused on serving One Customer has driven significant investments in our loyalty program, organizational structure and our data and digital infrastructure. We have been confidently focused on securing CTC's long-term competitive positioning."

## What Mike Says

CTC posted modest growth numbers, but management is confident in the future. The company rose its dividend by 9.6% and management announced that they have set their target at \$200+ million in annualized savings by 2022. Focus will be applied to eliminating duplicate systems and processes across its multiple banners. CTC wants to operate as one company going forward. This plan should drive efficiencies by decommissioning legacy infrastructure. Finally, the program targets internal and external expense reductions.

	<p>BROOKFIELD RENEWABLE (BEP.UN.TO)</p> <p>PRO RATING: 3 DIVIDEND SAFETY: 4</p>	<p>Price: \$62.94 Yield: 4.36% YTD: 88.65%</p>
--	---	--

- Non-GAAP EPS of -\$0.17, up from -\$0.18, missed by \$0.15.
- Revenues of \$642M, -4.75%, missed by \$7M.
- Declared dividend of \$0.515/share, flat over the previous payment.

[Press Release](#)  
[DSR Stock Card](#)

## What the CEO Said

"We continued to execute on key strategic priorities in the third quarter including a number of new investments, improved operations, and generating liquidity to bolster our already strong balance sheet," said Sachin Shah, CEO of Brookfield Renewable. "We are also pleased to announce our intention to create a Canadian corporation with publicly-traded shares that we expect will be economically-equivalent to the units of the partnership. This should position us well to continue attracting new investors to our globally-diversified renewable power portfolio."

## What Mike Says

BEP plans to create a Canadian corporation, a move that the partnership says could lead to enhance liquidity of its securities. The Canadian corporation will publicly list on the same exchanges as the current partnership, giving investors the choice to invest in the company through either a partnership or a Canadian corporation. BEP plans to distribute to existing unitholders, on a tax-free basis to the majority of unitholders, class A shares of the new corporation, Brookfield Renewable Corporation. From an economic and accounting perspective, the transaction will be similar to a unit split.

The information contained within this report is for informational purposes only and it is not intended as a recommendation of the securities highlighted or any particular investment strategy; nor should it be considered a solicitation to buy or sell any security. In addition, this information is not represented or warranted to be accurate, correct, complete, or timely. The securities mentioned in this report and the information contained do not constitute advice. Before acting on any information in this report, readers should consider whether such an investment is suitable for their particular circumstances, perform their own due-diligence, and if necessary, seek professional advice. Copyright © 2019 M-72 Inc. All rights reserved.





# DIVIDEND STOCKS ROCK

PORTFOLIO CREATION USING DIVIDEND GROWTH STOCKS

	<p>ANDREW PELLER(ADW.A.TO)</p> <p>PRO RATING: 4</p> <p>DIVIDEND SAFETY: 4</p>	<p>Price: \$12.08</p> <p>Yield: 1.72%</p> <p>YTD: -11.07%</p>
--	---	---

- Non-GAAP EPS of \$0.20, -16.7%
- Revenues of \$103.4M, flat.
- Declared dividend of \$0.054/share, flat over the previous payment.

[Press Release](#)  
[DSR Stock Card](#)

## What the CEO Said

"We continue to see strong performance across the majority of our well-established trade channels, driven by the introduction of new products and entering new categories, as well as our emphasis on higher-margin products. Additionally, the 4.8% increase in our common share dividends in June is a testament to our commitment to enhancing shareholder value over the long term. Over the last year we have invested significantly in developing innovative new brands and products. As we roll them out over the coming year, we will support them with meaningful new marketing and media campaigns."

## What Mike Says

ADW disappointed the market with decreasing earnings and weak growth for this quarter. Net earnings were impacted by one-time costs for professional fees and early retirement costs in second quarter. The introduction of new products and brands and a solid performance across the majority of the company's well established trade channels were offset by increased competition from new subsidized low-priced imported wines, softness in the personal winemaking market and lower export sales due to trade and political disputes between Canada and China. As the company invested massively in the past couple of years, we should see the results coming in 2020.

	<p>FORTIS(FTS.TO)</p> <p>PRO RATING: 4</p> <p>DIVIDEND SAFETY: 4</p>	<p>Price: \$52.79</p> <p>Yield: 3.46%</p> <p>YTD: 20.2%</p>
--	--	---

- Non-GAAP EPS of \$0.66, +1.5%
- Revenues of \$278M, +0.7%.
- Declared dividend of \$0.477/share, a +6% increase.

[Press Release](#)  
[DSR Stock Card](#)

## What the CEO Said

"We are optimistic about the trends occurring in our industry, including the move to cleaner energy and electrification," said Barry Perry, President and Chief Executive Officer, Fortis. "Our focus on these areas along with our efforts to strengthen our energy networks is driving growth in our business as reflected in our new five-year \$18.3 billion capital plan released in the third quarter."

## What Mike Says

FTS posted another steady quarter and management raised their dividend by 6% and confirmed its dividend growth target rate through 2024 (6% CAGR). The company increased its 5 year investing plan to \$18.3 billion for 2020 through 2024, up \$1.0 billion from prior year's plan. Capital expenditures of \$2.6 billion invested through September 2019, and the corporation expects to invest \$4.3 billion in 2019. Quarterly earnings reflect rate base growth at the regulated utilities, led by ITC. You can expect more growth ahead.

The information contained within this report is for informational purposes only and it is not intended as a recommendation of the securities highlighted or any particular investment strategy; nor should it be considered a solicitation to buy or sell any security. In addition, this information is not represented or warranted to be accurate, correct, complete, or timely. The securities mentioned in this report and the information contained do not constitute advice. Before acting on any information in this report, readers should consider whether such an investment is suitable for their particular circumstances, perform their own due-diligence, and if necessary, seek professional advice. Copyright © 2019 M-72 Inc. All rights reserved.



# DIVIDEND STOCKS ROCK

PORTFOLIO CREATION USING DIVIDEND GROWTH STOCKS

	<p>MAGNA INTERNATIONAL(MG.TO)</p> <p>PRO RATING: 4 DIVIDEND SAFETY: 4</p>	<p>Price: \$71.02 Yield: 2.75% YTD: 18.07%</p>
--	---	--

- Non-GAAP EPS of \$1.41, -9.6%, beat by \$0.07.
- Revenues of \$9.3B, -3.1%, missed by \$0.2M.
- Declared dividend of \$0.365/share, flat over the previous payment.

[Press Release](#)  
[DSR Stock Card](#)

## What the CEO Said

"While we recorded significant non-cash impairment charges this past quarter related to our investment in Getrag's equity accounted joint ventures, we expect further strong growth in Getrag's wholly-owned operations. For example we recently announced a business award from BMW, the largest production order for transmission technologies in Magna's history for dual-clutch transmissions, including hybrid variants."

## What Mike Says

MG posted a good quarter considering the labour strike at General Motors hurting Q3 sales and a non-cash impairment charges of \$537 million after income taxes and loss attributable to non-controlling interests related to investment in Getrag's equity accounted joint ventures. Excluding foreign currency translation and divestitures net of acquisitions, sales were up 2%. Management had to reduce its 2019 guidance to reflect the situation at GM. Sales by segment: Complete Vehicles, Power & Vision and Seating increased 14%, 4% and 3%, respectively, while Body Exteriors & Structures decreased 3%. The GM strike reduced third quarter sales.

	<p>ENBRIDGE(ENB.TO)</p> <p>PRO RATING: 4 DIVIDEND SAFETY: 4</p>	<p>Price: \$51.1 Yield: 5.78% YTD: 28.17%</p>
--	---	---

- Non-GAAP EPS of \$0.56, +1.8%
- Revenues of \$8.77B, +1.26%.
- Declared dividend of \$0.738/share, flat over the previous payment.

[Press Release](#)  
[DSR Stock Card](#)

## What the CEO Said

"We delivered another strong quarter of operating and financial results," commented Al Monaco, President and Chief Executive Officer of Enbridge. "The continued strength of our operating performance reflects the quality and predictability of our business model. Once again, we saw strong throughput on our Mainline system during the quarter, with demand for crude volumes out of Western Canada and the Bakken through to U.S. Gulf Coast markets. In addition, our gas transmission business remained in high demand and our Ontario gas utility continued to realize operating synergies following the amalgamation earlier this year.

## What Mike Says

ENB posted a strong quarter as distributable cash flow (DCF) increased significantly. DCF of \$2,105M, compared to \$1,585M for the third quarter of 2018. Management reaffirmed financial guidance range for 2019 DCF per Share of \$4.30 to \$4.60/share; full year results expected to exceed the midpoint of the guidance range. There was progress on the U.S. segment of the Line 3 Replacement Project: See Minnesota Supreme Court rejects Environmental Impact Statement (EIS) appeals; in October the Minnesota Public Utilities Commission (MPUC) orders EIS remediation work to be completed by December 9, 2019.

The information contained within this report is for informational purposes only and it is not intended as a recommendation of the securities highlighted or any particular investment strategy; nor should it be considered a solicitation to buy or sell any security. In addition, this information is not represented or warranted to be accurate, correct, complete, or timely. The securities mentioned in this report and the information contained do not constitute advice. Before acting on any information in this report, readers should consider whether such an investment is suitable for their particular circumstances, perform their own due-diligence, and if necessary, seek professional advice. Copyright © 2019 M-72 Inc. All rights reserved.



# DIVIDEND STOCKS ROCK

PORTFOLIO CREATION USING DIVIDEND GROWTH STOCKS

	BROOKFIELD ASSET MGMT(BAM.A.TO) PRO RATING: 3 DIVIDEND SAFETY: 4	Price: \$77.22 Yield: 1.1% YTD: 49.5%
--	--	---

- Non-GAAP EPS of \$0.80, -25%, beat by \$0.6.
- Revenues of \$17.88B, +20.3%, beat by \$3.96B.
- Declared dividend of \$0.16/share, flat over the previous payment.

[Press Release](#)  
[DSR Stock Card](#)

## What the CEO Said

“Our results were strong, underpinned by long-term businesses which are doing well. With the completion of our Oaktree transaction we broadened our product offering and this should be additive for our clients. Our \$65 billion of capital available for investments is our highest, ever.”

## What Mike Says

BAM posted a solid quarter and is ready to deploy additional cash. The current quarter also benefited from a deferred tax recovery. Fee related earnings before performance fees increased by 35% and 26% in the quarter and over the LTM, respectively, reflecting the substantial increase in the scale of our business. This was mainly driven by the large amount of capital raised in BAM flagship funds. Fee related earnings in the prior year quarter included \$94M of performance fees and we recorded no performance fees in the current quarter.

The information contained within this report is for informational purposes only and it is not intended as a recommendation of the securities highlighted or any particular investment strategy; nor should it be considered a solicitation to buy or sell any security. In addition, this information is not represented or warranted to be accurate, correct, complete, or timely. The securities mentioned in this report and the information contained do not constitute advice. Before acting on any information in this report, readers should consider whether such an investment is suitable for their particular circumstances, perform their own due-diligence, and if necessary, seek professional advice. Copyright © 2019 M-72 Inc. All rights reserved.